



MIDAS GOLD

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012**
(Unaudited, expressed in US Dollars)

Midas Gold Corp.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

Unaudited, expressed in US dollars

	<u>Notes</u>	<u>September 30, 2013</u>	<u>December 31, 2012</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		\$ 22,387,500	\$ 19,618,855
Trade and other receivables		9,206	52,188
Prepaid expenses		143,079	193,330
		<u>\$ 22,539,785</u>	<u>\$ 19,864,373</u>
NON-CURRENT ASSETS			
Buildings and equipment		\$ 4,405,565	\$ 5,160,163
Exploration and evaluation assets	4	175,619,139	170,778,522
Reclamation bond		18,000	18,000
		<u>\$ 180,042,704</u>	<u>\$ 175,956,685</u>
TOTAL ASSETS		<u>\$ 202,582,489</u>	<u>\$ 195,821,058</u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables		\$ 2,538,323	\$ 4,911,936
Current portion of note payable	5	190,394	186,233
Accrued interest payable		3,806	9,904
		<u>\$ 2,732,523</u>	<u>\$ 5,108,073</u>
NON-CURRENT LIABILITIES			
Long-term portion of note payable	5	\$ 192,302	\$ 379,491
Warrant derivative	6	973,000	-
TOTAL LIABILITIES		<u>\$ 3,897,825</u>	<u>\$ 5,487,564</u>
EQUITY			
Share capital	7	\$ 203,134,630	\$ 193,860,089
Equity reserve	7	20,102,922	17,941,573
Deficit		(24,552,888)	(21,468,168)
TOTAL EQUITY		<u>\$ 198,684,664</u>	<u>\$ 190,333,494</u>
TOTAL LIABILITIES AND EQUITY		<u>\$ 202,582,489</u>	<u>\$ 195,821,058</u>

Commitments - Note 4, 5 and 10

Subsequent Event - Note 11

Midas Gold Corp.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS**

Unaudited, expressed in US dollars

	Note	Three Months Ended		Nine Months Ended	
		September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
EXPENSES					
Consulting		\$ 122,709	\$ 16,884	\$ 148,428	\$ 58,196
Directors fees		60,278	62,840	183,314	187,152
Office and administrative		89,103	96,730	242,703	251,333
Professional fees		35,323	93,329	155,888	189,694
Salaries and benefits		193,058	203,050	645,124	633,508
Share based compensation	7	273,869	933,247	1,348,370	4,548,200
Shareholder and regulatory		30,923	26,346	250,848	197,406
Travel and related costs		33,323	136,029	131,956	296,715
OPERATING LOSS		\$ 838,586	\$ 1,568,455	\$ 3,106,631	\$ 6,362,204
OTHER EXPENSES					
Change in fair value of warrant derivative	6	\$ 194,000	\$ -	\$ 87,000	\$ -
Foreign exchange gain		(261,481)	(242,571)	(53,655)	(511,461)
Interest income		(23,093)	(42,817)	(55,256)	(152,257)
Total other (income) expenses		\$ (90,574)	\$ (285,388)	\$ (21,911)	\$ (663,718)
NET LOSS AND COMPREHENSIVE LOSS		\$ 748,012	\$ 1,283,067	\$ 3,084,720	\$ 5,698,486
NET LOSS PER SHARE, BASIC AND DILUTED		\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.05
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING, BASIC AND DILUTED		126,980,223	114,613,000	118,900,803	112,057,000

Midas Gold Corp.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

Unaudited, expressed in US dollars except for number of shares

	Note	Issued Capital		Equity Reserve	Deficit	Total
		Shares	Amount			
BALANCE, December 31, 2011		105,281,936	\$ 155,548,706	\$ 10,989,830	\$ (14,288,401)	\$ 152,250,135
Share based compensation	7	-	-	5,580,889	-	5,580,889
Shares issued in private placement	7	9,085,000	37,843,583	-	-	37,843,583
Exercise of options	7	409,900	393,553	(175,080)	-	218,473
Net loss and comprehensive loss for the period		-	-	-	(5,698,486)	(5,698,486)
BALANCE, September 30, 2012		<u>114,776,836</u>	<u>\$ 193,785,842</u>	<u>\$ 16,395,639</u>	<u>\$ (19,986,887)</u>	<u>\$ 190,194,594</u>

	Note	Issued Capital		Equity Reserve	Deficit	Total
		Shares	Amount			
BALANCE, December 31, 2012		114,794,136	\$ 193,860,089	\$ 17,941,573	\$ (21,468,168)	\$ 190,333,494
Share based compensation	7	-	-	2,161,349	-	2,161,349
Shares issued in private placement	7	12,740,000	9,274,541	-	-	9,274,541
Net loss and comprehensive loss for the period		-	-	-	(3,084,720)	(3,084,720)
BALANCE, September 30, 2013		<u>127,534,136</u>	<u>\$ 203,134,630</u>	<u>\$ 20,102,922</u>	<u>\$ (24,552,888)</u>	<u>\$ 198,684,664</u>

Midas Gold Corp.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

Unaudited, expressed in US dollars

	Three Months Ended		Nine Months Ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
OPERATING ACTIVITIES:				
Net loss	\$ (748,012)	\$ (1,283,067)	\$ (3,084,720)	\$ (5,698,486)
Items not affecting cash:				
Share based compensation	273,869	933,247	1,348,370	4,548,200
Depreciation	8,495	8,870	25,862	26,417
Change in fair value of warrant derivative	194,000	-	87,000	-
Unrealised foreign exchange loss (gain)	75,470	(229,690)	223,040	(121,787)
Interest income	(23,093)	(42,817)	(55,256)	(152,257)
Changes in:				
Trade and other receivables	20,285	73,954	42,982	221,692
Prepaid expenses	(42,518)	(59,277)	50,251	(41,754)
Trade and other payables	(81,380)	(287,085)	(239,407)	(443,327)
Net cash used in operating activities	\$ (322,884)	\$ (885,865)	\$ (1,601,878)	\$ (1,661,302)
INVESTING ACTIVITIES:				
Investment in exploration and evaluation assets	(5,161,024)	(14,183,781)	\$ (17,689,241)	\$ (38,955,148)
Purchase of buildings and equipment	(31,837)	(1,302,258)	(1,281,453)	(2,071,531)
Interest received	23,093	52,266	55,256	141,734
Net cash used in investing activities	\$ (5,169,768)	\$ (15,433,773)	\$ (18,915,438)	\$ (40,884,945)
FINANCING ACTIVITIES:				
Proceeds from issuance of common shares, net of share issue costs	\$ 9,274,541	\$ 191,057	\$ 9,274,541	\$ 38,072,955
Proceeds from sale of royalty interest, net of issue costs	-	-	14,434,460	-
Payment of notes payable	-	-	(183,028)	(177,696)
Interest paid	-	-	(16,972)	(22,304)
Net cash provided by financing activities	\$ 9,274,541	\$ 191,057	\$ 23,509,001	\$ 37,872,955
Effect of foreign exchange on cash	(75,470)	229,690	(223,040)	121,787
Net increase (decrease) in cash and cash equivalents	3,706,419	(15,898,891)	2,768,645	(4,551,505)
Cash and cash equivalents, beginning of period	18,681,081	48,301,596	19,618,855	36,954,210
Cash and cash equivalents, end of period	\$ 22,387,500	\$ 32,402,705	\$ 22,387,500	\$ 32,402,705
Cash	\$ 5,985,041	\$ 5,379,440	\$ 5,985,041	\$ 5,379,440
Guaranteed investment certificates and term deposits	-	4,950,000	-	4,950,000
Investment Savings	16,402,459	22,073,265	16,402,459	22,073,265
Total cash and cash equivalents	\$ 22,387,500	\$ 32,402,705	\$ 22,387,500	\$ 32,402,705

Supplemental cash flow information - Note 9

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

1. Nature of Operations

Midas Gold Corp. (“the Corporation” or “Midas Gold”) was incorporated on February 22, 2011 under the Business Corporations Act of British Columbia. The Corporation was organized to locate, acquire and develop mineral properties located principally in the Stibnite – Yellow Pine mining district in Valley County, Idaho (the “District”). The Corporation currently operates in one segment, mineral exploration in the United States. The Corporation’s common shares commenced trading on the Toronto Stock Exchange on July 14, 2011 after closing an initial public offering under a prospectus dated June 30, 2011. The corporate office of Midas Gold is located at 1250-999 West Hastings St, Vancouver, BC, V6C 2W2, Canada.

2. Basis of Preparation

a. Statement of Compliance

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting (“IAS 34”), using accounting policies that are consistent with the International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”).

b. Basis of Presentation

These condensed consolidated interim financial statements have been prepared on the historic cost basis except for certain financial instruments, which are measured at fair value.

The preparation of these condensed consolidated interim financial statements is based on the accounting policies consistent with those applied to the consolidated financial statements of Midas Gold for the year ended December 31, 2012.

These condensed consolidated interim financial statements do not include all of the information required for full financial statements and should be read in conjunction with the consolidated financial statements of Midas Gold Corp. for the year ended December 31, 2012, which are available at the Corporation’s website www.midasgoldcorp.com as well as under its profile on SEDAR at www.sedar.com.

These condensed consolidated interim financial statements for the three and nine month periods ended September 30, 2013 and 2012 were approved and authorized for issue by the board of directors on November 8, 2013.

3. Summary of Significant Accounting Policies

Standards Issued but not yet Effective

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee. The Corporation does not expect the standards below to have a material impact on the financial statements, although additional disclosures may be required.

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

3. Summary of Significant Accounting Policies (continued)

Standards Issued but not yet Effective

The following Standards are effective for annual periods beginning on or after January 1, 2014:

- (i) IFRIC 21 - is an interpretation on IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, with respect to the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event. The interpretation clarifies that the obligating event is the activity described in the relevant legislation that triggers the payment of the levy
- (ii) IAS 36 - The IASB published amendments to the disclosures required by IAS 36, when the recoverable amount is determined based on fair value less costs of disposal

The following Standard has been issued but the effective date has been deferred:

- (i) IFRS 9 - New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets and financial liabilities

4. Exploration and Evaluation Assets

At September 30, 2013 and December 31, 2012, the Corporation's exploration and evaluation assets at the Golden Meadows Project were as follows:

	As at December 31, 2012	Additions/ Disposals	As at September 30, 2013
Acquisition and Disposition Costs			
Interest on notes payable	\$ 92,187	\$ 10,755	\$ 102,942
Mineral claims	81,298,976	294,460	81,593,436
Purchase of royalty interest	1,026,750	-	1,026,750
Sale of royalty interest	-	(13,548,460)	(13,548,460)
Total Acquisition and Disposition Costs	82,417,913	(13,243,245)	69,174,668
Exploration and Evaluation Expenditures			
Consulting and labour cost	19,727,095	4,897,003	24,624,098
Drilling	32,341,086	3,780,406	36,121,492
Drilling support	20,298,660	5,216,710	25,515,370
Engineering	5,197,208	1,372,475	6,569,683
Environmental and sustainability	6,306,600	2,613,802	8,920,402
Geochemistry and geophysics	4,149,460	266,116	4,415,576
Prepaid exploration and evaluation	340,500	(62,650)	277,850
Total Exploration and Evaluation Expenditures	88,360,609	18,083,862	106,444,471
Balance	\$ 170,778,522	\$ 4,840,617	\$ 175,619,139

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

4. Exploration and Evaluation Assets (continued)

	As at December 31, 2011	Additions/ Disposals	As at December 31, 2012
Acquisition Costs			
Interest on notes payable	\$ 72,898	\$ 19,289	\$ 92,187
Mineral claims	80,739,429	559,547	81,298,976
Purchase of royalty interest	1,026,750	-	1,026,750
Total Acquisition Costs	81,839,077	578,836	82,417,913
Exploration and Evaluation Expenditures			
Consulting and labour cost	9,647,713	10,079,382	19,727,095
Drilling	12,664,745	19,676,341	32,341,086
Drilling support	6,721,311	13,577,349	20,298,660
Engineering	1,456,690	3,740,518	5,197,208
Environmental and sustainability	1,790,728	4,515,872	6,306,600
Geochemistry and geophysics	1,730,389	2,419,071	4,149,460
Prepaid exploration and evaluation	556,726	(216,226)	340,500
Total Exploration and Evaluation Expenditures	34,568,302	53,792,307	88,360,609
Balance	\$ 116,407,379	\$ 54,371,143	\$ 170,778,522

Acquisition

The Corporation acquired title to the Golden Meadows Project through several transactions. All title is held at 100% through patented and unpatented mineral claims, except the Cinnabar claims which are held under an option to purchase agreement, and is subject to the Franco-Nevada royalty described below.

During 2012, the Corporation completed the acquisition of the patented Yellow Pine claims through the payment of its final option payment of \$100,000 in accordance with the Option to Purchase Agreement dated November 7, 2003. In total, the Corporation paid \$1,000,000 for the Yellow Pine claims.

The Cinnabar claims are subject to an option to purchase agreement dated May 3, 2011, whereby on payment of \$150,000 on signing and \$100,000 per year for six years paid on the anniversary of signing, the Corporation has the option to own 100% of the Cinnabar claim group. As at September 30, 2013, four payments of \$100,000 remain outstanding and \$350,000 has been paid to date. At completion of the option agreement, the Corporation will have paid \$750,000.

Title

Although the Corporation has taken steps to verify title to the properties in which it has an interest, in accordance with industry standards for properties in the exploration stage, these procedures do not guarantee the Corporation's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory requirements.

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

4. Exploration and Evaluation Assets (continued)

Sale of Royalty Interest

On May 9, 2013, Midas Gold entered into an agreement with Franco-Nevada Corporation (“Franco-Nevada”) whereby for gross proceeds of \$15,000,000 Franco-Nevada was granted a perpetual 1.7% net smelter returns royalty on any future gold production from the Golden Meadows Property and 2,000,000 share purchase warrants that are exercisable into 2,000,000 common shares of Midas Gold. The royalty is collateralized by a mortgage over the claims that are subject to the royalty. The warrants have an exercise price of C\$1.23 and expire in ten years. Midas Gold has a one-time right to repurchase one third of the royalty for \$9,000,000 before May 9, 2016. The Corporation incurred costs of \$565,540 associated with this transaction.

A value of \$886,000 was assigned to the warrants at the date of the transaction and has been recorded as a warrant derivative (Note 6). The remaining proceeds of \$13,548,460, net of transaction costs, have been offset against exploration and evaluation assets.

5. Notes Payable

The promissory notes have a fixed interest rate of 3% per annum, have a combined annual payment of \$200,000 due annually on June 2, and mature on June 2, 2015. The Estate of JJ Oberbillig note payable is collateralized by a mortgage over the claims that were purchased from the Estate of JJ Oberbillig. The Oberbillig Group note payable is collateralized against the Oberbillig Royalty (5% net smelter returns royalty held by the Corporation) over the claims that are now held by the Corporation.

Notes payable at September 30, 2013 and December 31, 2012, are as follows:

	Note Payable	Note Payable	Total
	Estate of JJ Oberbillig	Oberbillig Group	
Balance, December 31, 2011	\$ 148,685	\$ 594,735	\$ 743,420
Principal repayments	(35,538)	(142,158)	(177,696)
Balance, December 31, 2012	\$ 113,147	\$ 452,577	\$ 565,724
Principal repayments	(36,605)	(146,423)	(183,028)
Balance, September 30, 2013	\$ 76,542	\$ 306,154	\$ 382,696
Current portion			\$ 190,394
Long term portion			192,302
			<u>\$ 382,696</u>

Interest expense for the nine months ended September 30, 2013 was \$10,874 (2012 - \$15,011) and the full amount was capitalized to exploration and evaluation expenditures.

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

6. Financial Instruments

a) Warrant derivative

During the nine months ended September 30, 2013, the Corporation issued 2,000,000 share purchase warrants to Franco-Nevada (Note 4). The warrants are exercisable into 2,000,000 common shares of the Corporation at C\$1.23 per warrant. The warrants contain a mandatory conversion feature which requires Franco-Nevada to exercise 100% of the outstanding warrants if, at any time, the volume weighted average trading price of Midas Gold's common shares is equal to or greater than C\$3.23 for a period of 30 consecutive trading days. The warrants expire on May 9, 2023.

The exercise price of the warrants is denominated in Canadian dollars, however the functional currency of the Corporation is the US Dollar. As a result of this difference in currencies, the proceeds that will be received by the Corporation are not fixed and will vary based on foreign exchange rates. Warrants with an exercise price denominated in a currency that is different from the entity's functional currency are a derivative and are required to be recognized and measured at fair value at each reporting period. Any changes in fair value from period to period are recorded as a non-cash gain or loss in the statement of net loss and comprehensive loss.

Upon exercise of the warrants, the warrant holders will pay the Corporation C\$1.23 for each warrant exercised in exchange for one common share of Midas Gold. There are no circumstances under which the Corporation would be required to pay any cash upon exercise or expiry of the warrants. Any warrants exercised will be measured at fair value at the date of exercise and the associated non-cash liability will be reclassified to share capital. The non-cash liability associated with any warrants that expire unexercised will be recorded as a gain in the statement of net loss and comprehensive loss.

A reconciliation of the change in fair value of the warrant derivative is below:

	Warrant Derivative	
Balance, May 9, 2013	\$	886,000
Change in fair value of warrant derivative		87,000
Balance, September 30, 2013	\$	973,000

The fair value of the warrants was calculated using a Black-Scholes valuation model. The key inputs used by the Black-Scholes valuation model are:

	September 30, 2013	May 9, 2013
Fair value warrants granted	\$0.50	\$0.44
Risk-free interest rate	2.6%	1.9%
Expected term (in years)	7.6	8.0
Expected share price volatility	64.0%	62.0%

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

6. Financial Instruments

b) Fair value estimation

The fair value hierarchy establishes three levels to classify the inputs of valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. Investments in common shares and warrants held that have direct listings on an exchange are classified as Level 1.

Level 2 - Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liabilities. Investments in common shares and warrants held that are not listed on an exchange are classified as Level 2.

Level 3 - Prices or valuation techniques that require inputs that are both significant to fair value measurement and unobservable (supported by little or no market activity).

As required by IFRS 13, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. At September 30, 2013, the warrant derivative was classified as a Level 2 financial instrument. None of the Corporation's other financial instruments are measured and recognized in the consolidated statement of financial position at fair value. At December 31, 2012, none of the Corporation's financial instruments were measured and recognized in the consolidated statement of financial position at fair value.

The carrying values of cash and cash equivalents, trade and other receivables, trade and other payables, notes payable and accrued interest payable, approximate their fair value due to the short-term nature of the instruments.

7. Share Capital

a. Authorized

Unlimited number of common shares without par value.

Unlimited number of first preferred shares without par value.

Unlimited number of second preferred shares without par value.

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

7. Share Capital (continued)

b. Issued during the Nine Months Ended September 30, 2013

On July 4, 2013, the Corporation closed a non-brokered private placement for 12,740,000 common shares at a price of C\$0.77 per share, for gross proceeds of C\$9,809,800 (\$9,316,367) to Teck Resources Limited. The Corporation incurred share issue costs of \$41,892 in connection with the private placement.

Issued during the Nine Months Ended September 30, 2012

On February 14, 2012, the Corporation closed a bought deal private placement through a syndicate of underwriters of 7,900,000 special warrants at a price of C\$4.45 per special warrant, for gross proceeds of C\$35,155,000 (\$35,186,640). The underwriters also exercised their over-allotment option to acquire an additional 1,185,000 special warrants for additional proceeds of C\$5,273,250 (\$5,277,996). Each special warrant was exercised into one common share of the Corporation for no additional consideration on March 14, 2012. The Corporation incurred share issue costs of \$2,621,053 in connection with the private placement.

During the nine months ended September 30, 2012, the Corporation issued 100,000 of its common shares upon exercise of share purchase options at a weighted average exercise price of C\$0.19 (\$0.19) per share for proceeds of \$19,314. Share purchase options were granted in Canadian dollars. Weighted average exercise price is calculated using the US dollar exchange rate on the date of option exercise.

c. Share purchase options

Under the terms of the Corporation's Stock Option Plan ("the Plan"), the maximum number of shares reserved for issuance under the Plan is 10% of the issued shares on a rolling basis. Options may be exercisable over periods of up to five years as determined by the Board of Directors of the Corporation and the exercise price shall not be less than the closing price of the shares on the day preceding the award date, subject to regulatory approval. All stock options granted are subject to vesting with one third vesting upon issuance and one third vesting on each anniversary from the date of grant.

A summary of share purchase option activity within the Corporation's share based compensation plan for the year-ended December 31, 2012 and the nine months ended September 30, 2013 is as follows:

	Number of Options	Weighted Average Exercise Price (C\$)
Balance, December 31, 2011	8,895,000	\$ 2.65
Options granted	1,790,000	3.39
Options exercised	(427,200)	0.61
Options forfeited	(747,800)	3.05
Balance, December 31, 2012	9,510,000	\$ 2.85
Options granted	1,090,000	0.79
Options forfeited	(215,000)	2.74
Balance, September 30, 2013	10,385,000	\$ 2.63

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

7. Share Capital (continued)

c. Share purchase options (continued)

During the nine months ended September 30, 2013, the Corporation allocated \$812,979 (2012 - \$1,032,689) of share based compensation to exploration and evaluation assets and \$1,348,370 (2012 - \$933,247) to share based compensation expense on the vesting of share purchase options.

The fair value of options granted is estimated at the time of the grant using the Black-Scholes option pricing model, using the following weighted average assumptions and information:

	Nine Months Ended	
	September 30, 2013	September 30, 2012
Fair value options granted	\$0.42	\$2.38
Risk-free interest rate	1.5%	1.4%
Expected term (in years)	5.0	5.0
Expected share price volatility ⁽ⁱ⁾	63.0%	83.0%
Expected dividend yield	0.0%	0.0%
Expected forfeiture	5.0%	5.0%

⁽ⁱ⁾ For the nine months ended September 30, 2012 volatility was estimated using the historical stock price of the peer group due to insufficient data using the Corporation's stock price history. For the nine months ended September 30, 2013 volatility was estimated using the Corporations own historical share prices.

An analysis of outstanding share purchase options as at September 30, 2013 is as follows:

Weighted Average Exercise Price (C\$)	Options Outstanding		Options Exercisable		Expiry Date
	Number	Remaining Contractual Life (Years)	Number	Remaining Contractual Life (Years)	
\$ 2.50	6,210,000	2.6	6,210,000	2.6	Apr-18-2016
3.25	910,000	2.7	910,000	2.7	Jun-06-2016
3.76	450,000	3.0	300,000	3.0	Sep-26-2016
4.10	350,000	3.2	233,333	3.2	Dec-7-2016
3.95	450,000	3.3	300,000	3.3	Jan-4-2017
3.50	370,000	3.5	246,667	3.5	Mar-30-2017
3.10	250,000	3.9	83,333	3.9	Sep-7-2017
3.10	335,000	4.0	111,667	4.0	Oct-9-2017
0.71	560,000	4.6	186,667	4.6	May-22-2018
0.89	500,000	4.8	166,667	4.8	July-31-2018
\$ 2.63	10,385,000	3.0	8,748,333	2.8	

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

7. Share Capital (continued)

d. Warrants (continued)

A summary of warrant activity for the year ended December 31, 2012 and the nine months ended September 30, 2013 is as follows:

	Number of Warrants	Weighted Average Exercise Price (C\$)
Balance, December 31, 2011 and 2012	1,333,334	\$ 0.48
Warrants granted	2,000,000	1.23
Balance, September 30, 2013	3,333,334	\$ 0.93

An analysis of outstanding share purchase warrants as at September 30, 2013 is as follows:

Weighted Average Exercise Price (C\$)	Warrants Outstanding and Exercisable	Remaining Contractual Life (Years)	Expiry Date
\$ 0.48	1,333,334	2.4	Feb-14-2016
1.23	2,000,000	9.6	May-9-2023
\$ 0.93	3,333,334	6.7	

8. Segmented Information

The Corporation operates in one reportable operating segment, being the exploration and development of the resource property. Details on a geographic basis are as follows:

	September 30, 2013	December 31, 2012
Assets by geographic segment, at carrying value		
Canada		
Current assets	\$ 22,459,265	\$ 19,669,232
Non-current assets	58,802	84,664
	<u>22,518,067</u>	<u>19,753,896</u>
United States		
Current assets	80,520	195,141
Non-current assets	179,983,902	175,872,021
	<u>180,064,422</u>	<u>176,067,162</u>
	<u>\$ 202,582,489</u>	<u>\$ 195,821,058</u>

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the nine months ended September 30, 2013 and 2012
Unaudited, expressed in US dollars

9. Supplemental Cash flow Information

Non-cash financing and investing activities	Three Months Ended		Nine Months Ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Share based compensation included in exploration and evaluation assets	\$ 146,572	\$ 225,873	\$ 812,979	\$ 1,032,689
Depreciation capitalized in exploration and evaluation assets	\$ 345,291	\$ 285,136	\$ 1,024,915	\$ 635,580
Transfer of equity reserve upon exercise of options and warrants	\$ -	\$ 155,080	\$ -	\$ 175,080

The Corporation maintains the majority of its cash in US dollars as this is the currency the majority of expenditures are expected to be made in. Cash and cash equivalents are comprised of the following:

	September 30, 2013	December 31, 2012
Cash and cash equivalents – Held in Canadian dollars	\$ 6,274,852	\$ 5,190,658
Cash and cash equivalents – Held in US dollars	16,112,648	14,428,197
	\$ 22,387,500	\$ 19,618,855

10. Commitments

a. Office and Property Rent

The Corporation entered into various lease agreements for office and property. The total rent obligation over the next five years is as follows:

	September 30, 2013		
	Within 1 year	Between 2 and 5 years	Total
Minimum rental payments	\$ 317,926	\$ 434,978	\$ 752,904

b. Mining Claim Assessments

The Corporation currently holds mining claims on which it has an annual assessment obligation of \$194,460 in order to maintain the claims in good standing. The Corporation is committed to these payments indefinitely.

c. Other Material Commitments

Material commitments are disclosed in Note 4 and 5. There have been no significant changes since December 31, 2012.

11. Subsequent Event

Subsequent to the end of the quarter, the Corporation achieved a quotation on the OTCQX International segment of OTCQX Marketplace in the USA, which should provide for greater access to US capital markets and an additional trading platform for shareholders.